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Common Market for Eastern  
and Southern Africa

*28<sup>th</sup> April 2021*

**CCC Merger Inquiry Notice No. 12 of 2021**

**Notice of Inquiry into the Proposed Merger Involving Old Mutual Alternative Investments Proprietary Limited and ACTOM Investment Holdings Proprietary Limited**

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed merger involving Old Mutual Alternative Investments Proprietary Limited (“**OMAI**”) as the acquiring undertaking and ACTOM Investment Holdings Proprietary Limited (“**AIH**”) as the target undertaking, intends to embark on an inquiry in terms of Article 26 of the Regulations.

The proposed transaction involves OMAI, through OMPE V GP Proprietary Limited, acquiring 34.34% of the issued share capital of AIH. It was submitted that OMAI already indirectly controls 19.62% of the issued share capital of AIH through another entity, Old Mutual Life Assurance Company (South Africa). The Proposed Transaction will thus result in OMAI controlling the voting rights in respect of 53.96% of AIH's issued share capital, thereby acquiring indirect control over AIH.

The parties have submitted that OMAI is a private alternative investment manager ultimately controlled by Old Mutual Limited (“**OML**”). The parties have submitted that OML, together with the entities that it controls (collectively, the “**Old Mutual Group**”) is a diversified African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets in fourteen (14) countries. The parties submitted that OML is the ultimate holding company for a number of subsidiaries operating across various lines of business in the financial services industry, including amongst others, life assurance products, short term insurance, savings, property, asset management, banking and lending. In the Common Market, the acquiring group is active in the following Member States: Eswatini, Kenya, Malawi, Rwanda, Uganda, and Zimbabwe.

The parties have submitted that AIH is the holding company for a group of companies which are involved in manufacture, solution provision, repair, maintenance and distribution of electromechanical equipment in Africa. The parties further submitted that the ACTOM Group (comprising AIH and the firms that it controls) has two subsidiaries that are incorporated in

Zambia, namely ACTOM Zambia Proprietary Limited<sup>1</sup> and ACTOM R&S Limited which repairs motors and electrical equipment. In addition, the following divisions under the ACTOM Group (which are based in South Africa) derived turnover in the Common Market during AIH's preceding financial year: ACTOM Energy, Distribution Transformers, Electrical Equipment, Engineering Projects and Construction, High Voltage Equipment, LH Marthinusen, Marthinusen and Coutts, Medium Voltage and Protection, Power Transformers, the Power Division, and the Power Conversion Division. In the Common Market, the target group is active in the following Member States: Democratic Republic of Congo, Eritrea, Eswatini, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Uganda, Zambia and Zimbabwe.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether or not the Proposed Transaction is likely to substantially prevent or lessen competition within the Common Market and whether the Proposed Transaction is or would be contrary to the public interest as provided for under Article 26 of the Regulations.

In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the parties to the proposed transaction to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: [sbooluck@comesa.int](mailto:sbooluck@comesa.int). All written representations should be sent to the Commission not later than 19<sup>th</sup> May 2021.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Ms. Sandya Booluck, Senior Analyst, Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or [sbooluck@comesa.int](mailto:sbooluck@comesa.int).

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.

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<sup>1</sup> The parties submitted that this entity is currently not trading.